



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT
Division of Economic Support
Bureau of Work Support Programs

TO: **Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

FROM: Stephen M. Dow
Policy Analysis & Program Implementation Unit
Work Programs Section

BWSP OPERATIONS MEMO

No.: 01-32

File: 2785

Date: 06/11/2001

Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: Medium

SUBJECT: **ADVERSELY EFFECTED MEDICARE BENEFICIARIES**

CROSS REFERENCE: MA Handbook, 27.13.0

EFFECTIVE DATE: Immediately

PURPOSE

This memo:

1. Explains a policy change permitting Special Status Medicaid (MA) recipients to now choose whether or not to participate in the Medicare buy-in.
2. Defines the normal buy-in cycle.
3. Provides processing instructions.

BACKGROUND

Requiring special status MA recipients to participate in the buy-in program has had an adverse effect in some cases, causing MA eligibility to end with a resulting large MA deductible.

OLD POLICY

It has been our policy to automatically enroll all special status MA recipients (503, DAC or Widow/Widower) who are entitled to or receiving Medicare Part A in the program known as 'Buy-In'. Until recently, Wisconsin automatically paid the Medicare Part B premium for these

individuals, regardless of the Buy-In Action Flag generated by CARES or manually indicated by the worker. **MA Handbook** release 01-01 indicated that clients in special status categories of MA were unable to decline this benefit.

NEW POLICY

The new policy allows individuals in special status MA categories the opportunity to decline the automatic state payment of the Medicare Part B premium if participation results in an adverse effect (**MA Handbook**, 27.13.0). The Part B premium is then deducted from the individual's gross Social Security check. Workers should determine future eligibility using prospective budgeting, assuming the change in income will occur according to the normal buy-in cycle. When the EDS buy-in analyst is contacted prior to the 22nd of the month, the income change should occur the month after a full month has passed. If the buy-in analyst is contacted after the 22nd, the income change will not occur until the month after 2 full months have passed.

Example: A request for change made May 21st would likely effect the July check. A request for change made May 24th would likely effect the August check.

PROCESS

CARES will build QMB, QMBN and SLMB assistance groups when there is AFMD information and a 'Y' for QMB on ACPA. The Buy-In process on MMIS will be triggered for anyone with 1 of these "deemed SSI" medical status codes:

07	10	19	5C	5D	6C
6D	DC	DN	L1	L2	L3
L4	L5	L6	L7	L8	

The buy-in process for these particular medical status codes is not currently effected by Buy-in Action Flags applied by CARES or manually applied by the worker.

PREVENTING BUY-IN ELIGIBILITY FOR PROTECTED MA CATEGORIES

Until system changes can be made, the Economic Support Specialist (ESS) must take the following actions to prevent or end Buy-In enrollment for special status MA recipients who choose to decline the benefit.

1. Document the client's request not to participate in the Buy-In program in case comments and change the QMB request on ACPA to 'N'.
2. Call the EDS Buy-In Analyst (608-221-4746, Ext. 3107) to relay the request and provide the client's name, Medicare claim number and MA ID number. The client will be added to a file that gets checked before Buy-In recipient information is sent to HCFA.
3. Use actual income received in determining current eligibility, whether or not the client wanted to participate in Buy-In that month. Determine future eligibility using prospective budgeting techniques. Assume a decrease in Social Security income will occur according to the normal HCFA Buy-In cycle.

Example: At intake on May 10th, the worker explains to Jill (a Disabled Adult Child) that Buy-In will result in a deductible for Jill. Jill therefore decides to 'opt out' of Buy-In, so she will qualify for MA without first having to meet a deductible. To prevent an automatic buy-in, the worker calls the EDS Buy-In Analyst. Since the request was made to stop the buy-in prior to the 22nd of May, it is expected Jill's Social Security check will decrease to the net amount effective July 3rd. In determining future MA eligibility, Jill's ESS prospectively budgets the **net** Social Security amount, effective in July.

REQUESTING BUY-IN ELIGIBILITY FOR PROTECTED MA CATEGORIES

If the recipient's circumstances change and s/he now wants to participate in the buy in program, the ESS will:

1. Change the QMB request on ACPA to 'Y' and document in case comments that the client is now opting to participate in the buy-in program.
2. Call the EDS Buy-in Analyst (608-221-4746, Ext.3107) to inform the Analyst that this person is no longer opting out of the Buy-In program. Give the Analyst the client's name, Medicare claim number and MA ID number to process the request.

Example: Jack (a '503' type recipient) had been working until May 25th, and previously decided to opt out of automatic Buy-In so he would qualify for MA without a deductible. Since he is no longer working, he informed his ESS that he now wishes to participate in Buy-In. Jack's ESS contacts the EDS Buy-In Analyst to accomplish this on May 26th. Since the request was made after the 22nd of the month, Jack should expect to receive a larger Social Security check in August (no Medicare premium will have been deducted), and is responsible to report this income increase when it occurs. The retroactive payment he will receive with his August check is a 'lump sum' payment and his ESS treats it as an asset rather than income.